

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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<https://oversight.house.gov>

September 1, 2022

The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Secretary Granholm,

We are continuing oversight of the U.S. Department of Energy's (DOE) depletion of oil from the Strategic Petroleum Reserve (SPR).¹ According to DOE, the Biden Administration recently sold almost a million barrels of SPR oil to Unipecc America, a subsidiary of Sinopec, a company owned by the Chinese Communist Party.² In addition to concerns with Hunter Biden, the President's son, receiving money from the deal, the decision to sell to Unipecc is troubling because Chinese firms are supporting Russia's invasion of Ukraine.³ In order to ensure the American people that the Biden Administration is properly managing the sale of critical assets from the SPR and not supporting Russia by providing oil to China, we request a briefing and documents related to this matter.

Research shows Chinese firms recently trading with Russia's defense sector, including with companies supporting Russia's ongoing war with Ukraine.⁴ This is troubling because the DOE sale of almost \$100 million worth of oil went to Unipecc, a subsidiary of a Chinese oil company. In light of China's friendship with Russia having "no limits,"⁵ there are serious questions about whether SPR oil is benefiting Russia or companies assisting Russia in the invasion of Ukraine. It would be unacceptable for China to support Russia's invasion of Ukraine with oil from the United States.

¹ Letter from Hon. James Comer, et al., H. Comm. on Oversight and Reform, to Hon. Jennifer Granholm, Sec'y, U.S. Dep't of Energy (May 26, 2022); Letter from Hon. James Comer, et al., H. Comm. on Oversight and Reform, to Hon. Jennifer Granholm, Sec'y, U.S. Dep't of Energy (July 20, 2022).

² Collin Anderson, *Biden Sold a Million Barrels From US Strategic Petroleum Reserve to China-Owned Gas Giant*, FREE BEACON (July 7, 2022).

³ Brian Spegele, *Chinese Firms Are Selling Russia Goods Its Military Needs to Keep Fighting in Ukraine*, WALL STREET JOURNAL (July 15, 2022).

⁴ C4ADS, *Trade Secrets: Exposing China-Russia Defense Trade in Global Supply Chains* (July 15, 2022).

⁵ Chao Deng, et al., *Putin, Xi Aim Russia-China Partnership Against U.S.*, WALL STREET JOURNAL (Feb. 4, 2022).

Committee Republicans previously requested staff level briefings on DOE's decision to deplete the SPR on May 26, 2022 and July 20, 2022.⁶ We reiterate our prior requests and ask that you provide information on this topic at a briefing so we can better understand how China intends to use the oil it received from the United States. In addition, we request the following items no later than August 31, 2022:

1. All documents and communications, from January 20, 2021 to present, referring or relating to analysis of the sale of oil from the SPR that could be used to create products or services sold to Russia to fight in Ukraine.
2. All documents and communications, from January 20, 2021 to present, referring or relating to analysis of the sale of oil from the SPR to determine whether any oil could be reallocated from Unipecc to any such firms bolstering the Russian efforts to invade Ukraine.

To ask any follow-up related questions, or to schedule the briefing, please contact the Committee on Oversight and Reform Republican staff at (202) 225-5074. The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,



James Comer
Ranking Member
Committee on Oversight and Reform



Nancy Mace
Ranking Member
Subcommittee on Civil Rights and
Civil Liberties

cc: The Honorable Carolyn Maloney, Chairwoman
Committee on Oversight and Reform

The Honorable Jamie Raskin, Chairman
Subcommittee on Civil Rights and Civil Liberties

⁶ *Supra* note 1.